

**Shrimp Task Force Assignments  
12-15-09 DRAFT**

**LDWF Assignments – State Level Actions**

**1) Appointment of a 13 member Shrimp Harvester Advisory Panel.**

Completed.

**2) Appointment of a 13 member Shrimp Processor Advisory Panel.**

Completed.

**3) Contact NOAA fisheries about release of Cooperative Research Survey funds upon receipt of initial review for completeness pending proper approval of the legislative auditors.**

Completed.

**4) Draft letters addressed to major shrimp buyers encouraging them to purchase and re-sell Louisiana shrimp.**

Completed

**5) Government issued mandate that state agencies buy Louisiana shrimp.**

Response received from state purchasing.

**6) Identify the numbers of shrimp (poundage or count) in cold storage (from LA processors) currently in holding facilities.**

This information has been provided to the LRA's Task Force representative.

**7) Identify the number of employees working for Louisiana shrimp processors**

Waiting for response from ASPA representative (Eddie Hayes).

**8) Formulate a definition of Louisiana shrimp for purposes of branding.**

A Notice of Intent concerning a rule which would establish standards for the packaging of shrimp in or sold in Louisiana has been signed by Secretary Barham. It is anticipated that the final rule would be promulgated on or before June, 1, 2010.

**9) Set up meeting with the Attorney General's Office and state legislators to draft legislation prohibiting and establishing penalties for the false advertisement of Louisiana shrimp and identify state statutes and LDAF and LDHH rules and**

**regulations pertaining to seafood testing and recommendations developed by the Seafood Safety Task Force in order to develop comprehensive and enforceable regulations.**

The LDWF will be setting up a meeting with representatives from the Attorney General's Office, LDWF, LDHH and LDAF.

**10) Endorse creation of legislation authorizing a new Shrimp Task Force.**

This action can be combined into the development of new legislation which establishes a new Shrimp Task Force, similar in structure and function to the Oyster Task Force. The Task Force would be under the LSPMB and charged with shrimp promotion and marketing activities and development of recommendations for state management activities. This action would also satisfy a recommendation from the Processors Advisory Panel for establishment of a separate shrimp promotion and marketing board devoted to domestic shrimp promotion. With assistance from legislative staff, the LDWF has developed a draft bill and copies have been forwarded to the Task Force AP representatives for comment. The LDWF has had discussions with members of the Harvester AP concerning the draft bill and will receive additional comments following the next meetings of the Harvester and Processor Advisory Panels.

**11) Set-up meetings with the Louisiana Restaurant Association to identify options or programs which would advertise the availability of Louisiana shrimp.**

The LDWF will set up meetings with Jim Funk, Louisiana Restaurant Association, Danny Babin, American Shrimp Processors Association, Dr. Strain, Commissioner, LSPMB and others to identify options or programs which would advertise the availability of Louisiana Shrimp.

**12) Request the Secretary of LDWF to move forward with shrimp packaging/labeling rule making process for Louisiana shrimp.**

LDWF has developed a Notice of Intent which will be submitted to the State Register following completion of the FEIS. A news release announcing the proposed rule will be developed when the NOI is forwarded to the register.

**13) Identify how much federal disaster assistance monies are available and would be eligible under federal regulations for use in shrimp promotion and marketing activities.**

**SUP 1** – Fisheries Disaster Assistance Supplemental Funding (EDRP 1) – Katrina/Rita (NOAA Grant Number NA06NMF4540319). No funds are available for shrimp promotion and marketing. This activity was not included in the congressional authorization.

**SUP 2** - Fisheries Disaster Assistance Supplemental Funding (EDRP 2) - Katrina/Rita (NOAA Grant Number NA07NMF4540373) \$1,293,909 was granted to the Louisiana

Seafood Promotion and Marketing Board for “Domestic Product Marketing, Promotion and Testing of Louisiana Wild-Caught Seafood”. \$3.24 million in unspent funds remain in the Commercial Fishery Assistance Payments program. (This excludes the remaining amount obligated for TED/BRD compliance.) The unspent funds are currently targeted to be paid to commercial fishers, dealers and vessel owners who previously received funding under this program.

**SUP 3** – Fisheries Reimbursement Program – Gustav/Ike (NOAA Grant Number NA09NMF4520024) Gustav & Ike funds are not distributed by fishery share. LDWF does not consider any of the funds unobligated at this time. LDWF has chosen to retain a buffer of approximately 1 million dollars as a “Contingency” for unforeseen events.

**14) Request the LDWF economic section to conduct an economic analysis of an excise tax increase on shrimp barrel price and report back to the Task Force.**

Completed.

An analysis of shrimp excise tax collection and potential revenue generated by excise tax increases was presented by LDWF economists at the November 16 Task Force meeting. The presentation is available on the LDWF website at.

<http://www.wlf.louisiana.gov/pdfs/fishing/shrimptaskforce/Revenue%20Generated%20by%20Shrimp%20Excise%20Tax%202%200.ppt>

The Task Force has not moved to recommend any shrimp excise tax increase at this time.

**15) Request LDWF to take the Shrimp Processor AP recommendations and develop a list of actions for Task Force consideration.**

Completed.

The LDWF included these recommendations in several motions which were adopted by the Task Force on Dec. 7, 2009.

**16) Request \$1 million in state general funds for an inspection/certification program for seafood.**

No action yet taken.

**17) Work with the Attorney General’s Office to use laws presently in place and enact new legislation to fill in loopholes to discourage and limit re-boxing of imported shrimp into domestic packaging.**

The Attorney General’s Office has summarized state statutes and regulations currently in place as a starting point.

**18) In cooperation with the LA Restaurant Association, require LA restaurants to post where there shrimp comes from.**

The LDWF will set up meetings with Jim Funk, Louisiana Restaurant Association, Danny Babin, American Shrimp Processors Association, Dr. Strain, Commissioner, LSPMB and others to identify options or programs which would advertise the availability of Louisiana Shrimp.

**19) Amend legislation requiring restaurants to identify country of origin for all imported shrimp and identify whether or not they serve Louisiana shrimp.**

The LDWF will set up meetings with Jim Funk, Louisiana Restaurant Association, Danny Babin, American Shrimp Processors Association, Dr. Strain, Commissioner, LSPMB and others to identify options or programs which would advertise the availability of Louisiana Shrimp.

**20) Provide funding for a “branding program set-up properly and protected under the federal “Lanham Act” and ensure that any price increases gained by this effort get passed down to the fisherman.**

No action yet taken on seeking funds for this program.

**21) A proactive approach to disaster assistance that would disburse funds to the industry immediately after a storm.**

The LDWF has developed a suggested approach for Task Force consideration that would rely on a pre-funded program that would require applicants to pre-qualify for disaster assistance payments.

A suggested approach to distributing disaster assistance funds in the future are as follows:

1. Louisiana residents participating in the harvest, transport or sale of fresh Louisiana landed seafood must pre-qualify for disaster assistance funds by submitting prior to July 1 of any given year a list of their assets used in such activity.
2. The disaster relief program should be a pre-established funded grant and loan program prepared to issue disaster assistance immediately after a disaster occurs.
3. Trip tickets should not be used exclusively for distributing disaster assistance funds, but rather used as a tool to establish eligibility and/or validate participation in the fishery by some sectors of the fishery.

This approach makes available disaster assistance to everyone in the fishery not just those that complete trip tickets. Assistance is directed to those that need it by requiring proof of loss or damages rather than a giveaway program. Funds are immediately available and used only to reestablish the fishery. The grant and loan program provides a mechanism where some of the funds are returned and reinvested into future of the fishery.

**22) Branding of wild-caught Louisiana shrimp.**

This recommendation is linked to a similar LDWF assignment and a Notice of Intent concerning a rule which would establish standards for the packaging of shrimp in or sold in Louisiana has been signed by Secretary Barham. It is anticipated that the final rule would be promulgated on or before June, 1, 2010.

**23) Speed up distribution of awards and payments under the fisheries assistance programs.**

Action Step – LDWF will continue to provide summary updates to the Task Force on the status of all three disaster assistance programs (SUP2, COOP, Gustav-Ike).

**SUP 2 - Fisheries Disaster Assistance Program (NOAA Grant # NA07NMF4540373)**

Approximately \$26.8 million in disaster assistance funds were allocated to 7,045 qualifying commercial fishermen, 4,624 commercial fishing vessel owners, 634 wholesale/retail seafood dealers and 721 licensed charter boat operators. Application packets were mailed to qualified commercial participants in May, 2008 and to qualified charter boat operators in June, 2008. Payments were mailed beginning in June, 2008. Initial payments to respondents totaled \$23.6 million and plans are being developed to rapidly implement a 2<sup>nd</sup> round of payments to qualifying participants with the remaining balance.

**Fisheries Disaster Assistance Payments to Fishermen, Vessel Owners and Seafood Dealers (SUP2) – Status as of 11-16-09**

# Fishers/Vessels Receiving Base Payment Only	# of Dealers Receiving Base Payment Only	# of Fishermen Receiving Tiered Payment	# of Vessels Receiving Tiered Payment	# of Dealers Receiving Tiered Payment	Funds Issued	Date of Report
2,654	75	4,757	2,877	308	\$22,947,708	09/09/09

**COOP – Cooperative Research Survey Program (NOAA Grant # NA06NMF4540319)**

Approximately \$13.8 million was allocated to 4,433 qualifying fishermen and 395 wholesale/retail seafood dealers to complete socio-economic research surveys designed to monitor recovery of Gulf of Mexico fisheries. LDWF has received complete applications from 3,301 of those who are eligible. Approximately 2,080 surveys have been received but only 503 surveys have determined to be complete at this point. To date, 503 participants have received payments totaling \$2,516,824.

**Cooperative Research Survey Payment Summary (COOP)  
Status as of 11-16-09**

Batch #	Participants	Fishers	Dealers	Vendor is Fisher/Dealer	Funds Issued	Check Cut Date
1	38	27	11	0	\$286,966.48	8/31/2009
2	78	62	16	0	\$415,298.33	9/10/2009
3	67	54	12	1	\$453,149.08	9/17/2009
4	43	40	3	0	\$126,211.89	9/23/2009
5	43	39	3	1	\$161,532.62	9/29/2009
6	39	32	7	0	\$173,925.92	10/6/2009
7	47	42	5	0	\$125,023.07	10/9/2009
8	34	29	3	2	\$164,563.92	10/22/2009
9	59	53	5	1	\$347,406.07	10/30/2009
10	55	45	8	2	\$262,746.94	11/9/2009
11	44	36	7	1	\$277,153.24	pending
Total	547	460	80	8		\$2,793,977.56

**GUSTAV-IKE - Fisheries Reimbursement Program (NOAA Grant # NA09NMF4520024)**

Approximately \$30 million was allocated to over 4,000 qualified commercial fishermen and wholesale/retail seafood dealers as part of a reimbursement program designed to assist the commercial fishing industry following Hurricanes Gustav and Ike. Since September 8, 2009, LDWF has distributed payments totaling \$10,768,714 million to 2,452 qualified recipients (Status as of 11-5-09).

**24) Recommend that the Task Force support legislation adding a shrimp harvester to the Governor's Coastal Protection and Restoration Advisory Council.**

The Task Force suggested that a representative from the Louisiana Coastal Protection and Restoration Authority be asked to speak at the Jan 6, 2010 Task Force meeting.

**25) Recommend that the Task Force support naming a shrimp harvester as a representative to the Davis Pond and Caernarvon Advisory Committees.**

The Task Force suggested no action be taken on this recommendation for now and that the information be absorbed for now.

**26) That any remaining fisheries disaster assistance funds be utilized for disaster assistance payments to qualifying participants with special attention to individuals that failed to qualify for previous programs.**

LDWF continues to provide status updates on federal fisheries disaster assistance programs and payments.

**27) Identify funding sources in support of renewing the anti-dumping petition for**

**Louisiana shrimpers and payback money that shrimp organizations have already paid to protect Louisiana shrimpers.**

No action yet taken.

- 28) Assistance from the State in allocating collected and future collected shrimp tariff funds back to the domestic shrimp industry.**

No action yet taken.

- 29) Create a separate shrimp promotion and marketing board devoted to domestic shrimp promotion.**

This assignment is being addressed through a previous action. With assistance from legislative staff, the LDWF has developed a draft bill and copies have been forwarded to the Task Force AP representatives for comment. The LDWF has had discussions with members of the Harvester AP concerning the draft bill and will receive additional comments following the next meetings of the Harvester and Processor Advisory Panels.

- 30) Legislation to increase the shrimp excise tax by 25 cents per barrel to devote to domestic promotion and marketing.**

This assignment is being addressed through a previous action. An analysis of shrimp excise tax collection and potential revenue generated by excise tax increases was presented by LDWF economists at the November 16 Task Force meeting. The presentation is available on the LDWF website at.

<http://www.wlf.louisiana.gov/pdfs/fishing/shrimptaskforce/Revenue%20Generated%20by%20Shrimp%20Excise%20Tax%202%200.ppt>

The Task Force has not moved to recommend any shrimp excise tax increase at this time

- 31) Request that LDWF devote the shrimp share of unspent third supplemental hurricane disaster assistance money to domestic shrimp promotion and marketing.**

No action yet taken.

- 32) Ask the task force to request from the Governor and our legislature a specific allocation of funds to pay for the legal costs of defending the shrimp antidumping orders at the ITC sunset reviews scheduled for February, 2010. The current estimate of the legal cost is \$250,000.00. Because these orders are also important to the other Gulf South shrimp harvesters and shrimp processors, we ask the task force to request that the Governor and our legislature seek contributions to the legal fund from their colleagues in Texas, Mississippi, Alabama and Florida.**

No action yet taken.

- 33) Ask the task force to request the Governor, our legislature and our Attorney General to use all means necessary to seek the additional \$268,000.00 owed to the State of Louisiana and for an accounting of any money already sent to the state. We further urge the task force to allocate any and all such funds to pay for the legal costs of defending the shrimp antidumping orders.**

No action yet taken.

- 34) Ask the task force to request from the Governor and our legislature a specific allocation of funds to pay for the legal costs of investigating whether a Section 201 trade remedy may be appropriate on imported shrimp. The current estimate of the legal cost for this investigation and an appropriate recommendation and report is \$30,000.00.**

No action yet taken.

- 35) Ask the task force to work with all relevant state agencies to increase the speed of processing applications and distributions of fisheries disaster assistance funds to all eligible applicants.**

This assignment is being addressed through a previous action (see # 17).

- 36) Ask the task force to continue to discuss the parameters of the voluntary certification program and once agreed upon, that the task force seek all necessary funding from the Governor, our legislature or from any other available source. We further urge the task force to consider the recommendation of increasing the shrimp excise tax by at least 25 cents per barrel to devote to domestic promotion and marketing.**

This assignment is being addressed through previous actions (see #8 and #24).

- 37) Ask the task force to work with the Governor, our legislature and the Louisiana Restaurant Association to develop a program requiring labeling of seafood to both encourage consumption of domestic seafood and obtain a higher price on our product.**

This assignment is being addressed through a previous action (see #5, #12, #13).



## **LDAF Assignments – Federal Level Actions**

**1) Development of voluntary inspection guidelines for the shrimp industry.**

The LDAF has begun development of a voluntary certification program.

**2) Present voluntary certification guidelines to the Shrimp Task Force for the next meeting.**

Completed.

The LDAF has presented information on development of a voluntary certification program to the Task Force.

**3) Adopt the recommendations set-up in the Louisiana Voluntary Shrimp Harvester/Processor Program as a system that can benefit the shrimp industry from harvesters through the state's processing system.**

No immediate action required.

**4) As part of the Louisiana voluntary inspection program, the state's commodity market programs including the LSPMB and LDAF play key roles in defining marketing strategies which benefit the shrimp industry.**

No immediate action required.

**5) Request drafting a letter in response to a Wall Street Journal article before the next meeting of the Task Force to be circulated for comments among Task Force members via email.**

Completed.

The LDAF submitted a letter addressed to the editor of the Wall Street Journal in response to the article. An electronic draft was circulated among members for comment before the letter was finalized and mailed. A copy of the letter can be found at the following link to the LDWF website:

<http://www.wlf.louisiana.gov/pdfs/fishing/shrimptaskforce/Draft%20letter%20to%20WSJ.pdf>

**6) Legislation to limit imports when the economic situation lowers prices to unprofitable level for Louisiana shrimpers.**

To be addressed in letter to congressional delegation.

- 7) Support renewal of the current shrimp anti-dumping petition which comes up in February, 2010.**

To be addressed in letter to congressional delegation(s).

- 8) Support a new World Trade Organization Compliant Byrd Amendment.**

To be addressed in letter to congressional delegation(s).

- 9) Legislation to place the costs of testing imported shrimp on the importing company.**

To be addressed in letter to congressional delegation(s).

- 10) Provide additional funding for testing and enforcement related to imported shrimp and raise import standards to the level of the EU.**

To be addressed in letter to congressional delegation(s).

- 11) Contact LA congressional delegation and delegation in other domestic shrimp producing states requesting they contact U.S. Customs and urge them to collect all tariff money.**

To be addressed in letter to congressional delegation(s).

- 12) Contact LA congressional delegation and delegation in other domestic shrimp producing states requesting them to urge U.S. Commerce to investigate and prosecute companies found guilty of shipping through non-tariff countries.**

To be addressed in letter to congressional delegation(s).

- 13) Request assistance from federal authorities to monitor and investigate the volume and potential health risks of imported shrimp entering the country.**

To be addressed in letter to congressional delegation(s).

- 14) Request the state's congressional delegation to enact federal legislation to develop a subsidy program for domestic shrimp producers.**

To be addressed in letter to congressional delegation(s).

- 15) Request the Task Force to support legislation bringing U.S. import standards up to EU standards of testing.**

To be addressed in letter to congressional delegation(s).

- 16) Seek state inspection of imported shrimp through LDHH under the sanitary code**

**and enact new legislation allowing the LDAF to test seafood products.**

No action yet taken.

**17) Legislation to strengthen country of origin labeling by including food service establishments.**

To be addressed in letter to congressional delegation(s).

**18) Ask the task force to request that the Governor, our legislature and our entire federal delegation immediately demand an investigation by the Department of Commerce and Customs and Border Protection to determine if imported shrimp from these countries actually originate from countries subject to antidumping orders and to vigorously pursue anti-circumvention remedies, including retroactive collection of duties that would have been paid and prohibition of imports from countries that are complicit in transshipment.**

To be addressed in letter to congressional delegation(s).

**19) Ask the task force to request that the Governor, our legislature and our entire federal delegation immediately demand an investigation into under collection by Customs and Border Protection, immediately address and seek collection of duties, and legislatively develop methods to permanently address under collection of antidumping duties.**

To be addressed in letter to congressional delegation(s).

**20) Ask the task force to request that our federal delegation begin work on a WTO-compliant law that would allow antidumping duties collected after October, 2007 to be used for the assistance of the domestic industries directly impacted by the dumped imports.**

To be addressed in letter to congressional delegation(s).

**21) Ask the task force to request that the Governor, our legislature and our entire federal delegation immediately demand an investigation by the Food and Drug Administration, Department of Agriculture, Customs and Border Protection and any other agency with jurisdiction over this issue, into the safety of imported shrimp. To the extent testing shows problems that pose a risk to the health of our domestic consumers, appropriate SPS measures should be implemented to block imports of shrimp from those countries.**

To be addressed in letter to congressional delegation(s).

**22) Ask the task force to request that the Governor, our legislature and our entire**

**federal delegation immediately demand that Customs and Border Protection / implement the provisions of 19 U.S.c. §1307 and block shrimp imported from Thailand and any other country that is using child or forced labor to produce the product.**

To be addressed in letter to congressional delegation(s).

- 23) Ask the task force to request that the Governor, our legislature and our federal delegation request expanded COOL requirements to include food service establishments under the current law or under a new law.**

To be addressed in letter to congressional delegation(s).

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### **LDED Assignments**

- 1) **Identify existing state or LDED programs that provide economic incentives or develop new legislation which provides funding for improvements to and value added processing facilities.**

Any actions to report?

- 2) **Provide funding for necessary improvements to allow for packaging facilities and value added processing facilities.**

Any actions to report?

- 3) **Request the Task Force to examine TAA program eligibility and notification and distribution of applications to the industry.**

Any actions to report?

- 4) **Ask the task force and the LA workforce commission representative to expedite efforts to file all necessary applications for individual and/or community-wide TAA assistance.**

Any actions to report?

### **LRA Assignments**

- 1) **Action to allow deferment of payments on disaster assistance loans taken out after the hurricanes of 2005 and 2008 (SBA, Small Business Grant and Loan programs).**

Any actions to report?

- 2) **Ask the task force to request that the Governor, our legislature and our federal delegation work on forgiveness and/or deferral of payments on disaster loans in light of the current economic hardship facing the shrimp industry.**

Any actions to report?

### **LSU SeaGrant Assignments**

- 1) **Examine state shrimp management activities and include these in LDWF committee discussions.**

State shrimp management opportunities will be examined by reviewing findings of the Select Shrimp Council's 1998 Report with the Shrimp Harvester Advisory Panel at their next meeting. It was also suggested that the Harvester Advisory Panel discuss possibilities of an experimental gear program.

- 2) **Request the Task Force to consider creation of shrimp cooperatives in the state of Louisiana.**

Any actions to report?

#### **LDHH Assignments**

- 1) **Urge LDHH to increase testing of imported shrimp to the state of Louisiana and urge the governor to provide adequate funding and manpower.**

Any actions to report?

#### **LSPMB Assignments**

- 1) **Support LSPMB to work with Milling Benson and Associates to develop a certification program for Louisiana shrimp.**

Any actions to report?